

**Dan Schwartz**  
*State Treasurer*



**STATE OF NEVADA**  
**OFFICE OF THE STATE TREASURER**

FOR IMMEDIATE RELEASE  
March 3, 2017

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775-430-2231

**TREASURER SCHWARTZ REQUESTS AUDIT OF GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT (GOED)**

Carson City, NV. Treasurer Dan Schwartz requested an audit of the Governor's Office of Economic Development (GOED) at the Executive Branch Audit Committee (EBAC) meeting on February 22. He continues to seek more information on the projects GOED funds which have received substantial tax credits and financial assistance from Nevada taxpayers, including Faraday Future and Tesla. The Treasurer has requested that the audit's results be presented at a future EBAC meeting before August 1, 2017.

"I appreciate the Governor's willingness to look into the matter. As an EBAC member, I want to better understand the procedures used to give out hundreds of millions of dollars in incentives under NRS 360.880 and NRS 360.889," Treasurer Schwartz said. "I have strongly advocated transparency in the state's economic development projects. Since 2014, the powers granted to GOED have continued to grow. The audit will look into job creation data, amount of money invested in the state by everyone involved with the projects, the process that GOED used to qualify the project, and the rationale for what related documentation is deemed 'confidential.' It is my hope that this audit provides greater transparency for these large scale projects."

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*Attached is the formal letter from Treasurer Schwartz requesting the audit of Governor's Office of Economic Development.*

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**State Treasurer**



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March 1, 2017

Steve Weinberger, Administrator  
Division of Internal Audits  
209 E Musser St, Suite 302  
Carson City, NV 89701

Dear Mr. Weinberger,

As a member of the Executive Branch Audit Committee, I would like to request an audit of the Governor's Office of Economic Development (GOED) to be completed and presented at the next meeting of the Executive Branch Audit Committee on or no later than August 1, 2017.

Pursuant to NRS 353A.45 and NRS 353A.075, I ask that the scope of the audit of GOED include all projects approved under NRS 360.880 – NRS 360.896. The purpose of the audit is to ensure the (a) adequacy of the internal accounting and administrative controls of the agency and the (b) efficiency and effectiveness of the management of the agency were followed by GOED in approving any and all projects pursuant to NRS 360.889 and NRS 360.890. The internal audit should examine all documents, confidential or not, which were used by GOED in vetting the projects under this statute and the documentation which was provided to GOED which ultimately led to the approval of all projects associated with these statutes. The internal audit should request documentation which substantiates each project's job creation data, amount of money invested in the State by each participant in the project, rationale for the determination to consider any and all documentation noted as 'confidential' as defined in NRS 360.890, Subsection 5 (a) – (c).

Pursuant to NRS 353A.45 and NRS 353A.075, I am also requesting the scope of the audit of GOED include all projects approved under NRS 360.900 – NRS 360.980. The purpose of the audit is to ensure that the (a) adequacy of the internal accounting and administrative controls of the agency and the (b) efficiency and effectiveness of the management of the agency were followed by GOED in approving any and all projects pursuant to NRS 360.945 and NRS 360.950. The internal audit should examine all documents, confidential or not, which were used by GOED in vetting the projects under this statute and the documentation which was provided to the GOED which ultimately led to the approval of all projects associated with these statutes. The internal audit should request documentation which substantiates all projects job creation data, amount of money invested in the State by each participant in the project, rationale for the determination to consider any and all documentation 'confidential' as defined in NRS 360.950, Subsection 7 (a) – (d).

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**LAS VEGAS OFFICE**  
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We hope this provides sufficient guidance for the proposed scope of this audit, but please feel free to contact us with any further questions.

Thank you,

A handwritten signature in black ink, appearing to read "Dan Schwartz", with a stylized flourish at the end.

Dan Schwartz  
Nevada State Treasurer

Cc: Rocky Cooper, LCB Audit  
Trudy Cross, Member at Large, EBAC  
Barbara Cegavske, Secretary of State  
Mark Hutchinson, Lt. Governor  
Ron Knecht, Controller  
Adam Paul Laxalt, Attorney General  
Brian Sandoval, Governor